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Texas Rural Emergency Hospitals (REH) Financial Stabilization Grant

**Rural Hospital Advisory Committee
(RHAC) November 2, 2023 meeting**

Rural Hospital Grant Program

- House Bill 1, Eighty-Eighth Legislature, Regular Session 2023, Article II, Rider 88, Rural Hospital Grant Program appropriated \$25 million/year for grants to rural Texas Hospitals.
- Funding will be for projects and activities related to:



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Rural Emergency Hospitals Financial Stabilization Grant Overview

Purpose:

- Intended to provide time-limited financial support for hospital operational costs to support the transition to the new REH designation.

HHSC will provide a two-year Grant:

- \$750,000 distributed quarterly in four flat fee amounts of \$187,500 for the first Grant year; and
- \$375,000 distributed quarterly in four flat fee amounts of \$93,750 for the second Grant year.



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Rural Emergency Hospitals Financial Stabilization Grant Overview cont..

Open Enrollment Period:

- September 14 – October 13, 2023, at 5pm CDT.

Eligibility:

- Must have received the state Limited Services Rural Hospital license pursuant to Texas *Health and Safety Code Chapter 241, Subchapter K*; and
- Obtained federal REH designation from Centers for Medicare and Medicaid Services by August 31, 2023.



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Rural Emergency Hospitals Financial Stabilization Grants

- 5 applications received.
- 4 REH Grants approved:
 - Anson Hospital District
 - CHI St. Luke's Memorial – San Augustine
 - Crosbyton Clinic Hospital
 - Falls Community Hospital and Clinic, Inc.
- St. Mark's Medical Center was approved an REH Grant but formally withdrew and closed on October 12, 2023.



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Reporting Requirements

- Grantee shall maintain a two (2) year plan for achieving financial solvency for taking appropriate actions in compliance with the Plan to continue to provide hospital services to the general public.
- Grantee shall submit quarterly invoices that identify qualifying expenses that were paid for with the grant funds.



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Questions about the Office of Rural Hospital Finance?

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Thank You
